

**Achievement of Market-Friendly Initiatives and Results Program  
(AMIR 2.0 Program)**

**Funded By U.S. Agency for International Development**

**ASE Investor Gallery Opening**

Final Report

**Deliverable for Capital Markets Component, Task No. 607 and 653.1  
Contract No. 278-C-00-02-00201-00**

*June 2002*

*This report was prepared by Mrs. Beth Kotis and Mrs. Nicole Rhind, in collaboration with Chemonics International Inc., prime contractor to the U.S. Agency for International Development for the AMIR Program in Jordan.*

Date  
Salutation  
Title  
Institution/Company/Organization  
Address  
Country

**Amman Stock Exchange (ASE) Opens High-Tech Investor Gallery  
Housing Bank Building, 5<sup>th</sup> Floor, Shmeisani  
May 12, 2002  
10:00 am – 11:15 am**

Dear Salutation:

It is a pleasure to invite you to the official opening of the Amman Stock Exchange's (ASE) Investor Gallery, on May 12, 2002 on the 5<sup>th</sup> Floor of the Housing Bank Building at 10:00 am.

The Investor Gallery represents the ASE's new state-of-the-art technology displaying real-time market information. The Gallery's main feature is an impressive 5 meter by 2 meter video wall exhibiting market information and news before, during and after trading hours. Two live tickers, provided by the USAID-funded AMIR Program, also broadcast real-time market data and continuously cycle the most recent execution and volume information, in both Arabic and English. This instantaneous transmission of information contributes to increased trading volumes by allowing retail investors to monitor changes in the market and to place trades with their brokers directly from the Gallery.

Please join the ASE in inaugurating this new space and sophisticated information and communications technology which signifies the Exchange's progress toward creating a market that is transparent, fair, efficient, and secure for investors, brokers, and Jordan's financial and investment communities.

The opening reception will be followed at 11:00 am with a tour of the brokerage firm offices in the building offering an inside view of the Exchange's members and technology at work.

Yours Sincerely,

Jalil Tarif  
Executive Manager  
Amman Stock Exchange

## **AMMAN STOCK EXCHANGE (ASE) OPENS HIGH-TECH INVESTOR GALLERY**

**Sunday, May 12, 2002  
Housing Bank Complex, 5<sup>th</sup> Floor, Shmeisani  
9:30 to 11:00 am**

We invite you to attend the official opening of the Amman Stock Exchange's (ASE) Investor Gallery, on May 12, 2002 on the 5<sup>th</sup> Floor of the Housing Bank Complex in Shmeisani at 9:30 am.

The Investor Gallery represents the ASE's new state-of-the-art technology displaying real-time market information. The Gallery's main feature is an impressive 5 meter by 2 meter video wall exhibiting market information and news before, during, and after trading hours. Two live stock tickers also broadcast real-time market data and continuously cycle the most recent execution and volume information, in both Arabic and English. This instantaneous transmission of information contributes to increased trading volumes by allowing retail investors to monitor changes in the market and to place trades with their brokers directly from the Gallery. It underscores the Exchange's progress toward creating a stock market that is transparent, fair, efficient and secure for investors, brokers and Jordan's financial and investment communities.

Please join the ASE in inaugurating this new space and sophisticated information and communications technology which signifies the Exchange's commitment to adhering to international standards of technology, fair practice, and disclosure in order to provide Jordanians and international investors access to a vibrant, active, and modern market.

### **For More Information, contact the Amman Stock Exchange**

Mr. Amjad Al-Kodah  
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## MEDIA RELEASE

**For Immediate Release****For More Information Contact the ASE**

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### AMMAN STOCK EXCHANGE (ASE) OPENS HIGH-TECH INVESTOR GALLERY

#### *Public Video Wall Displays Real-Time Market Information*

(AMMAN, JORDAN) In a move that signifies the technological transformation and growing sophistication of Jordan's capital market, the Amman Stock Exchange (ASE) officially unveiled today its new Investor Gallery, located on the fifth floor of the Housing Bank Complex in Shmeisani.

The Investor Gallery's state-of-the-art technology, displaying real-time market information, will contribute to increased trading activity by allowing investors to monitor market movements and to place trades with their brokers directly from the Gallery. It underscores the Exchange's progress toward creating a stock market that is transparent, fair, efficient and secure for investors, brokers and Jordan's financial and investment communities. The Investor Gallery is open to the general public and all individual traders.

Equipped with an impressive 5 meter by 2 meter video wall and two live stock tickers, the Investor Gallery displays up-to-the-minute market information before, during, and after trading hours. In the past, the gallery was used for manual trading where whiteboards filled the room as the primary market data source on deals between buyers and sellers.

The opening celebration was attended by Dr. Bassam Saket, Executive Chairman of the Jordan Securities Commission (JSC), Dr. Abder-Rahman Toukan, Chairman of the ASE's Board of Directors, Ms. Toni Christiansen-Wagner, the Mission Director of USAID-Jordan, Mr. Jon Lindborg, Director of the Office of Economic Opportunities at USAID-Jordan, Mr. Stephen Wade, Program Director of the USAID-funded AMIR Program, and Mr. Jalil Tarif, the Executive Manager of the ASE. Senior officials from the JSC, ASE, and the Securities Depository Center (SDC) as well as the heads of Jordan's brokerage firms also attended.

"The Investor Gallery is an important step in the evolution of Jordan's capital market. We are now at the forefront of establishing and implementing the best technology in the region to keep up with both world standards and more importantly, with the needs of our

investing public,” said Jalil Tarif, Executive Manager of the ASE. “The Investor Gallery significantly improves the quality of the market, expanding and simplifying the access investors will have to the exchange, and ensuring better market transparency and heightened investor confidence.”

“The U.S. Government is proud to support the development of Jordan's capital market, which plays a key role in expanding economic opportunities in the Kingdom,” said USAID Mission Director Toni Christiansen -Wagner. “These new market information dissemination systems help place the Amman Stock Exchange at the forefront of exchanges in the region. The efficient trading of stocks and bonds is now driven by information and communications technology. The ASE's commitment to using cutting edge technology solutions bodes well for future growth of the market.”

The opening of the ASE Investor Gallery coincides with the launching of a number of sophisticated information and communications technology systems within Jordan's capital markets. The installation of a comprehensive management information system and wide-area network (WAN) links the JSC, ASE and SDC to over 130 market participants in Jordan. The WAN connects the ASE with broker firms that are equipped with electronic data dissemination screens, providing “mini investor galleries” in the brokerage offices.

An automated order-driven Electronic Trading System gives brokers immediate access to stock prices and enables them to order and trade remotely. In addition, a secure local-area network (LAN) was installed to link the ASE with the JSC and the SDC, allowing the three institutions to share information and conduct joint surveillance of their systems.

The USAID-funded AMIR Program assisted Jordan's capital market in the establishment of the WAN and the ASE Web site. AMIR also contributed the video wall and the two live tickers in the Investor Gallery, as well as provided additional technical and design support in the Gallery.

The ASE's technological initiatives and developments have increased the depth, transparency, and liquidity of the market and contribute significantly to educating investors and improving market confidence. Market capitalization is now approximately JD 4.4 billion, and trading volume since the beginning of 2002 is JD 320 million, a 220% increase over the same period last year. Another noteworthy barometer of the ASE's progress, the ASE Web site ([www.ase.com.jo](http://www.ase.com.jo)), received nearly 3 million hits from more than 100 countries during the month of March, a figure more than double that from a year ago.

As the ASE opens its new Investor Gallery, it remains committed to implementing sophisticated technology and adhering to international standards of fair practice and disclosure in order to provide Jordanians and international investors access to a vibrant, active and modern market.

## **AGENDA**

**Amman Stock Exchange  
Investor Gallery Opening  
Housing Bank Complex, 5<sup>th</sup> Floor  
Sunday, May 12, 2002**

9:30 am – 9:50 am	Remarks by Mr. Jalil Tarif, Executive Manager, Amman Stock Exchange
9:50 am – 9:55 am	Remarks by Ms. Toni Christiansen -Wagner, Mission Director, USAID-Jordan
10:00 am	Opening of Investor Gallery
10:00 am – 10:20 am	Tour of Broker Offices, Housing Bank Complex, 5 <sup>th</sup> Floor
10:20 am – 10:50 am	Reception at Investor Gallery

## Speaking Points

### Amman Stock Exchange (ASE) Investor Gallery Opening

May 12, 2002

9:30 – 11:00 am

#### Highlights:

- ?? The new Investor Gallery represents the ASE's continuing effort to develop Jordan's capital market to international standards and to create a stock market that is fair, efficient, liquid, and transparent for investors.
- ?? The Gallery will disseminate real -time market information to retail investors allowing them to monitor changes in the market and to place trades with their brokers directly from the Gallery, where phone booths with lines to brokers have been set up. (This approach is already very successful in other emerging markets, such as Thailand.)
- ?? The Gallery's main feature is a 5 meter by 2 meter video wall exhibiting market information and news before, during and after trading hours. Two live tickers also broadcast real-time market data and continuously cycle the most recent execution and volume information, in both Arabic and English.
- ?? Until its refurbishing, the Investor Gallery was the old trading floor where trading was conducted manually. Over the past year, the ASE has assisted in automating broker offices where TV monitors attached to computers display live market information, allowing brokers to trade remotely from their offices. On any given day, clients can be seen gathered around small sitting rooms outside their broker offices watching the TV monitors and the day's market activities. The ASE spent approximately \$60,000 on the refurbishment.
- ?? The new Investor Gallery will allow a larger number of small investors access to real -time information and to become active participants in the market.
- ?? Behind the Investor Gallery are the ASE and SDC back -up computer rooms.

#### USAID-funded AMIR Program Contribution:

- ?? The AMIR Program funded the video wall and ticker tapes, costing a sum of \$480,000, and provided technical assistance on design throughout the transformation of the Gallery.
- ?? In addition, AMIR also provided the Investor Gallery with a TV camera for news programs to provide market close-out reports, similar to those set up at Nasdaq and other high-tech exchanges as well as at the Cairo & Alexandria Stock Exchanges.



?? AMIR provided the ASE with technical assistance on the design of Investor Gallery signage (e.g. ASE logos in the Gallery) as well as produced the following in English and Arabic:

- ?? ASE General Brochure
- ?? ASE Investment Guidelines Brochure
- ?? ASE Milestones Sheet
- ?? ASE Folder

#### Other ASE Technology Related Initiatives

?? The AMIR Program provided a comprehensive Wide -Area Network (WAN) that links the ASE and the Securities Depository Center (SDC) to over 130 market participants in Jordan.

?? The AMIR Program provided the fibre optic cable that links ASE and SDC computers in the capital markets' building to the back -up computers at the SDC. Information will soon be backed-up in real-time.

?? One noteworthy barometer of the progress the ASE has made is the Exchange's website, which received more than 2.8 million hits for the month of March 2002.

## Amman Stock Exchange

*The Amman Stock Exchange offers Jordanian and international investors access to a vibrant, active, and modern market.*

The Amman Stock Exchange (ASE) was established in March 1999 as a non-profit, private institution with administrative and financial autonomy. It is the only entity in Jordan authorized to function as an exchange for the trading of securities.

The history of securities trading in Jordan traces its origins back to the 1930s. In 1976, the Amman Financial Market was established to create a regulated trading market. More recently, as part of Jordan's move to upgrade its capital markets, a new Securities Law was enacted in 1997, separating the supervisory and legislative roles from those of operating an exchange. As a result, the ASE was created along with the Jordan Securities Commission (JSC) and the Securities Depository Center (SDC). The JSC monitors and regulates the market while the SDC oversees clearance and settlement and maintains ownership records.

The ASE is committed to the principles of fairness, transparency, efficiency, and liquidity. The exchange seeks to provide a strong and secure environment for its listed securities while protecting and guaranteeing the rights of its investors. To comply with international standards and best practices, the ASE works closely with the JSC on surveillance matters and has established strong relationships with other exchanges, associations, and international organizations.

The ASE is one of the largest stock markets in region, with a market capitalization of more than JD 4.5 billion (US\$6.4 billion) and a return of nearly 30% in 2001. The exchange currently lists more than 150 companies and has more than 500,000 investors. Fifty-two percent of the shares are held by Jordanian corporate and individual investors. Foreign investors account for 40% of share ownership, and the government, through the Jordan Investment Corporation, holds the remainder of the shares. Investors enjoy the benefits of no withholding taxes, no taxes on dividends, and free repatriation of funds. Further, ASE listed firms have no ownership limitations of any kind.

### ASE Overview

*"A modern, well-regulated emerging market"*

The ASE's first and second markets have experienced tremendous growth. During the five year period from 1997-2001, trading volumes on the ASE increased 86%, from JD355.2 million to JD662 million (US\$501.3 million and US\$940.6 million, respectively). The number of shares traded over the same period increased from 191 million to more than 330 million, a 74% increase.

Companies from four primary industry sectors are listed on the ASE, representing the depth and diversification of opportunities for investors. Shares of firms in the banking industry account for 57% of market capitalization, and shares of companies in the

industry sector make up 27% of market capitalization. The services and insurance sectors account for 14% and 2% of market capitalization respectively.

### **State-of-the-Art Technology**

*“Sophisticated technology enhances the ASE’s international exposure”*

The ASE’s new Electronic Trading System (ETS) is an order-driven system that affords brokers immediate access to stock prices and orders and enables members to trade remotely.

ASE brokers, issuers, investors, data providers, and other financial institutions are electronically connected to the exchange, depository, and securities commission through a wide area network (WAN). The WAN facilitates trading and improves broker performance by providing more flexibility and ease of transaction. Moreover, this technology opens up Jordan’s capital markets to investors and sets Jordan apart from most other capital markets in the region.

### **Strict Market Regulation**

*“Highest possible level of transparency and market regulation”*

The ASE is committed to maintaining an open, stable, and transparent exchange compliant with international standards of fair practices. The JSC oversees the regulation of the ASE, its exchange members, and listed companies. The ASE works closely with the JSC in monitoring trading on the exchange and regarding matters of surveillance. In addition, the ASE proposes amendments to legislation and regulations on the protection and development of the exchange. Market regulation and transparency are major priorities for Jordan’s capital market institutions, where strict enforcement serves to enhance Jordan’s reputation and attract foreign as well as domestic investment.

### **Expansive Data Dissemination**

*“Immediate access to valuable information”*

Investors can access ASE information including its listings and its members through multiple channels from anywhere in the world. The ASE provides access to data 24 hours a day on its website([www.ase.com.jo](http://www.ase.com.jo)), which receives nearly 3 million hits monthly. Reuters (reuters.com) provides ASE quotes and information. Jordan Television displays share prices on Channel One and its satellite channels. In addition, CNBC has agreed to display share prices on more than 150 million screens worldwide. This exposure offers listed companies increased visibility stimulating liquidity and trading in a company’s shares.

## **Advantages for Market Participants**

### **Investors**

Investors have access to a broad range of securities with varying risk levels, including company shares, government, corporate and municipal bonds, depository receipts, and investment units issued by investment funds.

Investor benefits:

- ?? Access to emerging growth market with unparalleled potential for return
- ?? Secure investments in a well-regulated market
- ?? Geographic diversification for portfolios

**Companies Traded on the ASE**

The ASE is divided into three markets for traded companies. This three-market approach was established so that an investor can readily know the status of traded companies and understand the requirements each company has fulfilled. There are strict requirements for companies wishing to trade in the first market. The second market accepts companies that do not yet meet the guidelines for the first market. Finally, the third market provides a trading platform for unlisted companies.

Company benefits:

- ?? Access to growth capital
- ?? Visibility and publicity in the marketplace
- ?? Access to broad range of domestic and international investors
- ?? Enhances reputation and credibility
- ?? Facilitates mergers and acquisitions

**Member-Brokers**

Financial services companies licensed by the JSC to perform brokerage activities on the ASE are considered members of the exchange.

Member-broker benefits:

- ?? Access to fair, efficient, and transparent market
- ?? Trading conducted on state-of-the-art electronic trading system
- ?? Broker's Guarantee Fund

**Milestones**

- ?? Ranked by Standard & Poor's 500 as one of the best performing emerging markets worldwide in 2001
- ?? Fully-integrated electronic remote trading system
- ?? World-class automated clearing and settlement and depository systems being established by the SDC
- ?? Sophisticated wide area network
- ?? Member of Union of Arab Stock Exchange and Securities Commission, International Federation of Stock Exchanges, and the Federation of the Euro-Asian Stock Exchanges.

## **The Amman Stock Exchange offers Jordanian and international investors access to a vibrant, active, and modern market.**

The Amman Stock Exchange (ASE) was established in March 1999 as a not-for-profit, private institution with administrative and financial autonomy. It is the only entity in Jordan authorized to trade securities. The exchange is governed by a seven-member board of directors. An executive manager oversees day-to-day responsibilities and reports to the board. The ASE membership is comprised of Jordan's 33 brokerage firms.

The history of securities trading in Jordan traces its origins back to the 1930s. In 1976, the Amman Financial Market was established to create a regulated trading market. More recently, as part of Jordan's move to upgrade its capital markets, a new Securities Law was enacted in 1997, separating the supervisory and legislative roles from those of operating an exchange. As a result, the ASE was created along with the Jordan Securities Commission (JSC) and the Securities Depository Center (SDC). The JSC supervises the issuance of and trading in securities and monitors and regulates the market. The SDC oversees clearance and settlement and maintains ownership records.

The ASE is committed to the principles of fairness, transparency, efficiency, and liquidity. The exchange seeks to provide a strong and secure environment for its listed securities while protecting and guaranteeing the rights of its investors. To provide this transparent and efficient market, the ASE has implemented internationally recognized directives regarding market divisions and listing criteria, has adopted procedures for improving regulatory effectiveness, and implemented a safe settlement and custody mechanism.

To comply with international standards and best practices, the ASE works closely with the JSC on surveillance matters and has established strong relationships with other exchanges, associations, and international organizations. The exchange is an active member of the Union of Arab Stock Exchanges and Securities Commissions, the International Federation of Stock Exchanges, and the Federation of the Euro-Asian Stock Exchanges.

### **ASE Performance Overview**

*"A modern, well-regulated emerging market"*

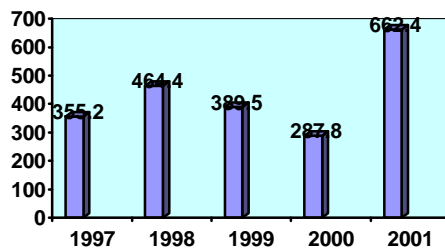
The ASE is one of the largest stock markets in region, with a market capitalization of more than JD 4.5 billion (US\$ 6.4 billion) and a return of nearly 30% in 2001. The exchange currently lists approximately 158 companies and has more than 500,000 investors. Fifty-two percent of shares on the exchange are held by Jordanian corporate and individual investors; foreign investors account for 40% of share ownership, and the government, through the Jordan Investment Corporation, holds the remainder of the shares. Investors enjoy the benefit of no withholding taxes, no taxes on dividends, and

free repatriation of funds. Further, ASE listed firms have no ownership limitations of any kind.

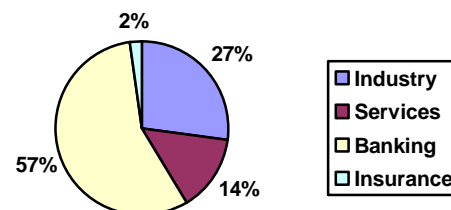
The ASE's first and second markets have experienced tremendous growth in recent years. During the five year period from 1997 -2001, trading volumes have increased 86%, from JD355.2 million to JD662.4 million (US\$501.3 million and US\$940.6 million, respectively). The number of shares traded over the same period increased from 191 million to more than 330 million, a 74% increase.

(Trading Volume for the First and Second Market 1997 -2001)

**Trading Volume 1997-2001**

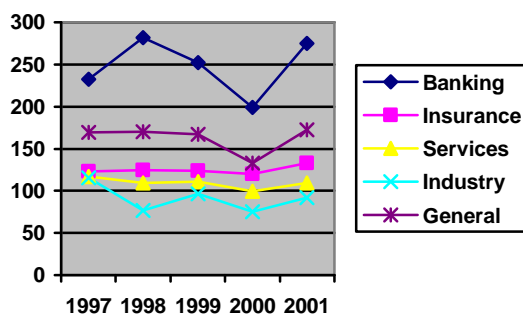


Shares of companies from four sectors are traded on the ASE, representing the depth and diversification of opportunities for investors.



Market Capitalization by Sector

**Price Index Weighted by Market Capitalization (1997-2001)**



## Securities Traded on the ASE

The following securities are currently traded on the ASE:

- ?? Company shares
- ?? Investment units
- ?? Corporate bonds issued by shareholding companies and public institutions
- ?? Municipal bonds
- ?? Government development bonds
- ?? Treasury bonds
- ?? Treasury bills

Other types of local or foreign securities are also authorized for trading on the ASE. Derivatives, securities deposit receipts, equity option bonds, spot contracts and forward contracts, purchase and sale option contracts are included in this category.

## Market Segmentation

*“ASE has introduced internationally recognized market divisions and listing criteria.” Standard & Poor’s Emerging Stock Market Factbook, 2001*

The ASE is divided into three market segments for traded companies. This three-tier approach was established so that an investor can readily discern the status of traded companies and understand the requirements each company has fulfilled. This market segmentation also augments the visibility of listed companies and strengthens market transparency.

### First Market

The First Market includes the most actively traded “blue chip” shares and has the most stringent listing requirements. Currently nearly 70 companies are listed on the First Market.

### First Market Listing Requirements

- ?? Shareholders’ equity = 100% paid-in capital
- ?? Minimum JD 2 million (US\$2.8 million) paid-in capital or market capitalization
- ?? Profit generation for at least two out of last three years
- ?? Cash dividends or bonus shares paid at least once over the last three years
- ?? Listed on Second Market for one-year
- ?? Maintain minimum 10% turnover ratio for the last year and the number of trading days must not be less than 15% of overall trading days

### Second Market

The Second Market is for companies that cannot meet the requirements for listing on the First Market. There are almost 90 companies listed on the Second Market.

### Second Market Listing Requirements

- ?? Shareholders' equity = 50% of the paid-in capital
- ?? Company must have one-year of operational history

### Third Market

The Third Market provides a trading platform for unlisted companies, especially start-ups, that cannot meet the requirements of either the First or Second Markets. Currently, more than 30 companies traded on the Third Market.

## State-of-the-Art Technology

*“Sophisticated technology enhances the ASE’s international exposure”*

Information and communications technology has fundamentally transformed Jordan’s capital market, contributing to increased trading activity and investment, thus setting Jordan apart from other capital markets in the region.

The ASE’s new Electronic Trading System is an automated order-driven system that affords brokers immediate access to stock prices and orders and enables members to trade remotely.

ASE brokers, issuers, investors, data providers, and other financial institutions are electronically connected to the exchange, depository, and securities commission through a wide area network (WAN). The WAN links the stock exchange and depository to more than 130 market participants in Jordan who have electronic data dissemination screens (“plasma” screens) to view “real-time” changes in the market.

In addition, a secure local area network (LAN) was developed to link the ASE, JSC, and SDC, allowing the three institutions to share information and conduct joint systems surveillance.

## Clearing and Settlement

The Securities Depository Center (SDC) manages the clearing and settlement procedures for securities traded on the ASE. The transfer of ownership is completed within five days from the execution date. The SDC is currently developing an automated system, which will settle trades within three days of the trade date.



## Commissions

Commissions for trading on the First, Second, and Third Markets vary between .54% and .74% of value traded.

The Commission includes

- ?? The brokerage firm's commission is between .4% and .6% of the value traded.
- ?? Fees collected by the broker on the investor's behalf and paid to the key market authorities (ASE, SDC, and JSC) totaling .14% of the value traded.

Trading Commissions Table:

Security	Lower Limit	Upper Limit
Shares	5.4 JD/ each 1000 JD	7.4 JD/ each 1000 JD
Bonds	0.5 JD/ each 1000 JD	1.0 JD/ each 1000 JD
Investment Units	2.0 JD/ each 1000 JD	2.2 JD/ each 1000 JD

Exchange rate: 1JD = US\$ 1.41

## Trading Schedule

Trading on the ASE takes place from Sunday to Thursday with the following time schedule:

- 9:30 am to 9:35 am Pre-Opening session for Bonds, Mutual Funds, and Third Market (entering, adjusting, or canceling orders)
- 9:35 am Opening session for Bonds, Mutual Funds and Third Market
- 9:35 am to 9:55 am Continuous Trading for Bonds, Mutual Funds and Third Market
- 9:30 am to 10:00 am Pre-Opening session for First and Second Markets (entering, adjusting, or canceling orders)
- 10:00 am Opening session for First and Second Markets
- 10:00 am to 12:00 pm Continuous Trading for First and Second Markets
- 12:00 noon to 12:15 Block Trades

## Brokers' Guarantee Fund protects investors

The Financial Brokers' Guarantee Fund (FBGF) was established to cover broker defaults or deficits in the balance of sold securities. It assures investor confidence in Jordan's capital market and facilitates timely settlements by complying with international standards. Brokerage firms operating on the ASE must contribute an initial amount of 15,000 JD and .01% of their daily trading volume. Failure to pay the value of securities purchased or to deliver sold securities within the prescribed period can result in the brokerage firm's suspension from trading on the ASE until it has fully settled its commitments.

## Strict Market Regulation

*"Highest possible level of transparency and market regulation"*

Market regulation and transparency are major priorities for Jordan's capital market institutions, where strict enforcement serves to enhance Jordan's reputation and attract foreign as well as domestic investment. The JSC oversees the regulation of the ASE, its members, and listed companies. The ASE works closely with the JSC to monitor trading exchange surveillance. In addition, the ASE proposes amendments on legislation and regulations regarding the protection and development of the exchange.

## Expansive Data Dissemination

*"Immediate access to valuable information"*

Disclosure and dissemination of market information is a key priority for the ASE and the exchange has made tremendous strides in its campaign to raise awareness and provide information about Jordan's capital market to the general public. The advancements include the adoption of ETS (Electronic Trading System), the implementation of RT (Remote Trading), and the development of other "real-time" displays of information,

Investors can access ASE information including listings and members through multiple channels from anywhere in the world. The ASE provides access to data 24 hours a day on its website ([www.ase.com.jo](http://www.ase.com.jo)), which receives nearly 3 million hits per month. Reuters ([www.reuters.com](http://www.reuters.com)) also provides ASE quotes and information. Jordan Television displays share prices on Channel One and its satellite channels. In addition, CNBC has agreed to display share prices on more than 150 million screens worldwide. This exposure offers listed companies increased visibility stimulating liquidity and trading in a company's shares.

The ASE's "Investors' Gallery" links the exchange, other capital market institutions, member brokerage firms and financial institutions through state-of-the-art technology. This "real time" disclosure and information is symbolic of the ASE's commitment to using top-quality products and innovative services to support its clients.

ASE publications are widely dispersed to the public and include the following:

- ?? Public Shareholding Companies Guide (on CD)

- ?? Guide for Listed & Traded Companies
- ?? Monthly Newsletter
- ?? Monthly Statistical Bulletin
- ?? Annual Reports

## **Advantages to Listing on the ASE**

### **Investors**

- ?? Access to emerging growth market with unparalleled potential for return
- ?? Secure investments in a well -regulated market
- ?? Geographic diversification of portfolio

### **Listed Companies**

- ?? Access to growth capital
- ?? Visibility and publicity in the marketplace
- ?? Access to broad range of domestic and international investors
- ?? Enhances reputation and credibility
- ?? Facilitates mergers and acquisitions

### **Member-Brokers**

- ?? Access to fair, efficient, and transparent market
- ?? Trading conducted on state-of-the-art electronic trading system
- ?? Financial Broker's Guarantee Fund

### **Milestones**

- ?? Ranked by Standard & Poor's 500 as one of the best performing emerging markets worldwide in 2001
- ?? Fully-integrated electronic remote trading system
- ?? World-class automated clearing and settlement and depository systems being established by the SDC
- ?? Sophisticated wide area network
- ?? Member of Union of Arab Stock Exchange and Securities Commission, International Federation of Stock Exchanges, and the Federation of the Euro -Asian Stock Exchanges

## 10 Reasons to Invest in Jordan

### 1. Strategic Location

- ?? Situated at the convergence of Europe, Asia and Africa
- ?? Transportation hub of the Middle East

### 2. Stable Political Environment

- ?? Dedicated and stable leadership
- ?? Firm commitment to private enterprise system

### 3. Free Market Economy

- ?? Economic policies based on outward-oriented, private sector led approach
- ?? Privatization of major state-owned enterprises

### 4. Incentives to Encourage Investment

- ?? Significant tax benefits
- ?? Broad customs exemptions

### 5. Access to Major International Markets

- ?? Duty free access to US, EU and over 10 Arab countries through AFTA
- ?? Member of Multilateral Investment Guarantee Agency (MIGA)

### 6. Free Zones and Industrial Estates

- ?? Four industrial free zones
- ?? Five private free zones
- ?? Aqaba-special economic zone

### 7. Qualified and Competitive Human Resources

- ?? Abundant workforce
- ?? Young and highly educated population

### 8. World Class Infrastructure

- ?? Sophisticated telecommunications system
- ?? Modern transportation network

### 9. Attractive Investment Climate

- ?? Income and social services tax exemptions for up to 10 years
- ?? Free repatriation of capital, profits and salaries

### 10. High Quality of Life

- ?? Healthcare, education and other amenities of modern life meet international standards
- ?? Active local and international business associations

## **Amman Stock Exchange Milestones**

May 2002	Participates in First International Finance & Business Forum and Exhibition in Dubai
December 2001	Completes installation of Wide Area Network linking the Amman Stock Exchange, Jordan Securities Commission and Securities Depository Center with brokers, issuers, data providers, other financial institutions, and international markets
November 2001	Participates in 23 <sup>rd</sup> meeting of the Union of Arab Stock Exchanges and Securities Commissions in Cairo
October 2001	Launches ticker tape displaying share prices on Jordan Television, receiving national attention
September 2001	Completes first stage operation of Oracle based Management Information System
May 2001	Moves into new building
February 2001	Hosts NSC/UNIX Forum on French electronic trading system. ASE Executive Manager Jalil Tarif is appointed Chairman of the Committee.
February 2001	Establishes Directives for Financial Brokers Guarantee Fund to facilitate timely settlements and assure investor confidence
January 2001	Completes electronic remote trading system allowing licensed brokers to trade remotely
January 2001	Begins enforcing Instructions for Sale of Securities by Public Auction
November 2000	Co-sponsors Euromoney Training Seminar with Atlas Investment Group
October 2000	Participates in NSC/UNIX conference in Tunis
October 2000	Inaugurates Intranet for information dissemination with licensed brokers and ASE staff
October 2000	Begins implementation of remote trading system allowing

	licensed brokers to trade from their offices
September 2000	Initiates share price and trading report postings on website ( <a href="http://www.ase.com.jo">www.ase.com.jo</a> )
September 2000	Attends sixth Annual Meeting of the General Assembly of the Federation of Euro-Asian Stock Exchanges
September 2000	Begins implementing Internal By-Law for Disputes Settlement helping to resolve disputes between ASE members and their clients
August 2000	Inaugurates electronic trading system under the patronage of His Majesty King Abdullah II
July 2000	Participates in Middle East Conference for Linking Global Markets hosted by NASDAQ
June 2000	Transfers final 100 public shareholding companies listed on ASE to electronic trading system, ending all manual trading on the exchange
June 2000	Legislates division of the ASE into three markets under the Directive for Listing Securities on the ASE providing stronger regulation and additional investment opportunities
May 2000	Issues first ASE Annual Report
May 2000	Issues Public Shareholding Companies Guide on CD
March 2000	Holds first General Assembly Meeting
March 2000	Launches Electronic Trading System and develops new Trading Rules for electronic trading platform
February 2000	Issues first Monthly Statistical Bulletin
January 2000	Unveils Instruction on Fees for Services
December 1999	Launches website, <a href="http://www.ase.com.jo">www.ase.com.jo</a>
November 1999	Participates in 19 <sup>th</sup> General Assembly Meeting of the Union of Arab Stock Exchanges and Securities Commissions
November 1999	His Majesty King Abdullah II lays cornerstone for the

	capital market institutions' new building
October 1999	Hosts fifth Annual Meeting of the General Assembly of the Federation of Euro-Asian Stock Exchanges
September 1999	Establishes Fees and Commissions regulations
August 1999	Issues first ASE Newsletter giving brokers and investors access to important exchange data
April 1999	Joins Union of Arab Stock Exchanges and Securities Commissions
March 1999	The Amman Stock Exchange (ASE) is established as a private non-profit institution with administrative and financial autonomy. It is the only entity in the Hashemite Kingdom of Jordan authorized to function as an exchange for securities trading. The ASE also joins the Federation of Euro-Asian Stock Exchanges and the World Federation of Exchanges.